



Billing Code: 5001-06

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal No. 18-04]**

**Arms Sales Notification**

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Arms sales notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.

**FOR FURTHER INFORMATION CONTACT:** Pamela Young, (703) 697-9107, [pamela.a.young14.civ@mail.mil](mailto:pamela.a.young14.civ@mail.mil) or Kathy Valadez, (703) 697-9217, [kathy.a.valadez.civ@mail.mil](mailto:kathy.a.valadez.civ@mail.mil); DSCA/DSA-RAN.

**SUPPLEMENTARY INFORMATION:** This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-04 with attached Policy Justification.

Dated: April 12, 2018.

Shelly E. Finke,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5400

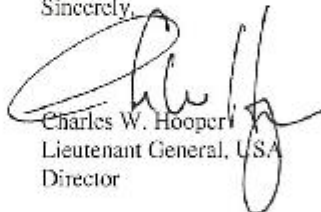
APR 04 2010

The Honorable Paul D. Ryan  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 18-04, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom for defense articles and services estimated to cost \$500 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,



Charles W. Hooper  
Lieutenant General, USA  
Director

Enclosures:

1. Transmittal
2. Policy Justification



Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: United Kingdom

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 0 million
Other	<u>\$500 million</u>
TOTAL	\$500 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Non-MDE:

Defense articles and services for continued follow-on support to the MQ-9 Reaper program including: contractor logistics support, manpower and base support, publication and technical documentation, depot and organizational level maintenance and equipment, minor modifications and upgrades, software support, spare and repair/return parts, program studies, U.S. Government and contractor engineering and technical support, and other related elements of program support.

(iv) Military Department: Air Force (UK-D-QDL)

(v) Prior Related Cases, if any:

UK-D-SMI - \$375m – 23 Feb 2007;  
UK-D-SMJ - \$69m – 11 Oct 2007;  
UK-D-YAC - \$20m – 1 May 2008;  
UK-D-GAA - \$122k – 19 Nov 2008;  
UK-D-YAF - \$24m – 3 Mar 2011;  
UK-D-SMK - \$70m – 17 Nov 2011;  
UK-D-QBH - \$20m – 6 Aug 2013;  
UK-D-GAY - \$106m – 10 Dec 2014;  
UK-D-QBQ - \$103m – 11 Dec 2015;  
UK-D-YAY - \$134m – 23 Aug 2016;  
UK-D-QBR - \$5m – 30 Mar 2017;  
UK-D-VAC - \$5m – 22 Mar 2017;  
UK-D-YAI - \$132m – 8 May 2017

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None.

(viii) Date Report Delivered to Congress: April 4, 2018

\*As defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### United Kingdom – MQ-9 Continuing Contractor Logistics Support

The Government of the United Kingdom has requested to buy defense articles and services for continued follow-on support to the MQ-9 Reaper program including: contractor logistics support, manpower and base support, publication and technical documentation, depot and organizational level maintenance and equipment, minor modifications and upgrades, software support, spare and repair/return parts, program studies, U.S. Government and contractor engineering and technical support, and other related elements of program support. The total estimated program cost is \$500 million.

This proposed sale will support the foreign policy and national security policies of the United States by helping to improve the security of a NATO ally which has been, and continues to be, an important partner on critical foreign policy and defense issues.

The proposed sale is required to maintain the operational readiness of the United Kingdom's MQ-9 Reaper program and enable the United Kingdom to continue to operate its fleet of MQ-9 Reapers in support of coalition operations. The United Kingdom will have no difficulty absorbing this equipment into its armed forces.

The proposed sale will not alter the basic military balance in the region.

The prime contractors will be General Atomics Aeronautical Systems, Inc. in San Diego, CA, and MAG Aerospace in Woodland, VA. At this time, there are no known offset agreements. Any offset agreements will be defined in negotiations between the purchaser and the contractor(s).

Implementation of this proposed sale will not require any additional U.S. Government or contractor representatives to the United Kingdom.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

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